

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

Tariff for natural gas service ) Application No. NG-0005  
available in the entire )  
territory served by Kinder ) ORDER GRANTING WAIVER REQUEST  
Morgan, Inc. in the State of ) REGARDING RATE SCHEDULES CGS  
Nebraska. ) AND ACGS  
)  
) Entered: September 8, 2004

BY THE COMMISSION:

1. By letter dated August 26, 2004, Kinder Morgan, Inc. (KMI) has requested a waiver of the thirty-day notice requirement set forth in the State Natural Gas Regulation Act, Neb. Rev. Stat. § 66-1808(2) (2003 Supp.) for revisions to its Rate Schedules Choice Gas Service (CGS) and Agricultural Choice Gas Service - Seasonal Service (ACGS). Notice of the waiver request was published in the Daily Record, Omaha on September 1, 2004.

2. On June 30, 2004, KMI filed with the Commission revisions to Rate Schedules CGS and ACGS, which included changes pertaining to the Supplier Code of Conduct and allowing for customers to enter into a multi-year supply arrangements with participating suppliers. The proposed effective date for the June 30, 2004, filing was August 1, 2004.

3. On July 23, 2004, ONEOK Energy Marketing Company (OEMC) filed a Complaint and Petition, seeking suspension of changes to both Rate Schedules. OEMC's Complaint and Petition was docketed as Application No. NG-0025/PI-85.

4. On July 30, 2004, KMI made a filing to delay the effective date of the proposed changes to September 1, 2004, to allow time to work with OEMC to resolve issues raised by OEMC's Complaint and Petition.

5. On August 26, 2004, KMI filed amendments to the tariff filing made July 30, 2004, further revising Rate Schedules CGS and ACGS, as a result of negotiations with OEMC. As stated above, KMI also requested waiver of the thirty-day notice period.

6. On August 30, 2004, OEMC withdrew its Complaint and Petition.

O P I N I O N      A N D      F I N D I N G S

7.    The State Natural Gas Regulation Act provides:

Unless the commission otherwise orders, no jurisdictional utility shall make effective any changed rate or any term or condition of service pertaining to the service or rates of such utility, except by filing the same with the commission at least thirty days prior to the proposed effective date. The commission, for good cause, may allow such changed rate or any term or condition of service pertaining to the service or rates of any such utility, to become effective on less than thirty days' notice.

Neb. Rev. Stat. § 66-1808(2). KMI has requested a waiver of the thirty-day notice requirement so that the filing may become effective September 1, 2004; however, that date passed without any waiver being granted.

8.    The Commission finds that based upon the time required for negotiations with OEMC and resolution of OEMC's Complaint and Petition, sufficient good cause exists to allow proposed changes dated August 26, 2004, to become effective on less than thirty-days' notice. The effective date of the proposed changes is September 8, 2004. The Commission further finds that it should direct KMI to re-file the August 26, 2004 tariff sheets with an effective date of September 8, 2004.

O R D E R

IT IS THEREFORE ORDERED by the Commission that Kinder Morgan, Inc. has demonstrated good cause for permitting the change in its Rate Schedules CGS and ACGS without the thirty-day notice.

IT IS FURTHER ORDERED that Kinder Morgan, Inc.'s application for a waiver of the thirty-day notice requirement is granted and the changes in Rate Schedules CGS and ACGS will take effect on September 8, 2004, pursuant to the terms set forth above.

MADE AND ENTERED at Lincoln, Nebraska, this 8th day of  
September, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director